

YING STAFFORD

Attorney at Law
276 FIFTH AVENUE
SUITE 501
NEW YORK, NEW YORK 10001
Phone: (212) 689-3858
Facsimile: (212) 689-0669

January 13, 2012

VIA ECF

The Honorable Roanne L. Mann
United States Magistrate Judge
United States Courthouse
225 Cadman Plaza East
Brooklyn, New York 11201

Re: United States v. Joseph Mazella
11 Cr. 300 (CBA)

Dear Judge Mann:

As per Order of the Court, please find included with this letter a statement of facts regarding the above captioned case.

I thank your Honor for your courtesy and consideration.

Respectfully submitted,

/s/

Ying Stafford

STATEMENT OF FACTS

The defendant Joseph Mazella is charged in a twelve count superseding indictment. The superseding indictment charges Mazella with securities fraud, mail fraud and wire fraud. In addition, should Mazella be convicted of certain charges in the superseding indictment the Government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

Joseph Mazella operated a real estate business in Staten Island for over 15 years more recently known as the Great Atlantic Group. The Government alleges Mazella began to operate his business as a “Ponzi Scheme” in or about 2007. The Government further alleges that Mazella utilized two entities in particular, to fraudulently solicit funds from investors, Third Millenium Enterprises and 150 West State Street Corporation. However, the nature of the all the financial transactions that Great Atlantic Group had with over 170 clients were providing loans, secured by mortgages on various properties and guaranteed personally by Mazella, for which they held notes signed by Mazella, both as chief executive office signing for the Great Atlantic Group subsidiary, and for himself individually.

For years Mazella made all interest and principal payments to Great Atlantic Group’s clients. Regrettably, in or about 2007, due to the result of economic reversals caused by an unprecedeted real estate market bust, and in the wake of the global recession, Great Atlantic Group encountered serious financial difficulties. As the business began to suffer serious financial difficulty, Mazella took various measures to keep the Great Atlantic Group operating. For instance, 150 West State Street company bought foreclosure proceedings to take title from the then-owner/mortgagor group, which had defaulted, in order to be able to salvage the 150 West State Street investments in that property by proceeding with the planned development of the property by his own companies. Additionally, Mazella also foreclosed on the Golden Greens property and proceeded to attempt to raise capital for the project as per a recapitalization

Case 1:11-cr-00300-CBA Document 86 Filed 01/13/12 Page 3 of 3 PageID #: 437
program. These measures were halted when the Government executed a search warrant on his
premises on January 27th, 2011.

Dated: Brooklyn, New York
January 13, 2012

Respectfully submitted,

/s/

Ying Stafford
Attorney for Joseph Mazella